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§ 9-403. Sale of real property; public hearing; resolution; posting of..., AZ ST § 9-403

Arizona Revised Statutes Annotated

Title 9. Cities and Towns

Chapter 4. General Powers

Article 1. Purchase, Sale or Lease of Property (Refs & Annos)

A.R.S. § 9-403

§ 9-403. Sale of real property; public hearing; resolution; posting of terms of sale; special election; sale at auction

[Currentness](#)

**A.** Real property of a city or town, the value of which is more than \$1,500,000 but less than \$15,000,000, may not be sold unless the governing body of the city or town does both of the following:

1. Holds at least one public hearing to take public comment on the proposed sale after publishing the invitation for bids as prescribed in § 9-402 at least thirty days before the scheduled approval of the purchase agreement. Notice of the hearing shall be provided at least ten days before the hearing and shall include both of the following:

(a) A description of the property proposed for sale and the reasons for the proposed sale.

(b) Information on how to submit to the governing body written and verbal comments on the proposed sale.

2. By a vote of the members of the governing body, adopts a resolution approving the sale of the property.

**B.** If a city or town sells real property pursuant to subsection A of this section, the terms of the sale shall be posted on the city's or town's website on completion of the sale.

**C.** Real property of a city or town, the value of which is \$15,000,000 or more, shall not be sold unless first authorized by a special election called for the purpose of submitting to the voters of the city or town the question of selling or not selling the real property proposed for sale. The election shall be held within the corporate limits of the city or town on a date prescribed by § 16-204, and notice shall be given as provided in § 9-402.

**D.** The ballots shall contain a description of the property proposed for sale and the reason the governing body desires the property sold. The description and reasons shall be printed in eight-point type and shall contain not more than one hundred words.

**E.** If a majority of the ballots cast is in favor of selling, the governing body may sell the property at public auction, after giving the notice required in § 9-402, to the highest bidder for cash, reserving the right to reject any and all bids.

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**§ 9-403. Sale of real property; public hearing; resolution; posting of..., AZ ST § 9-403**

F. Real property sold pursuant to this section shall be sold at not less than the appraised value of the property.

**Credits**

Amended by Laws 1984, Ch. 63, § 1; Laws 1996, Ch. 271, § 9, eff. April 23, 1996; Laws 2000, Ch. 346, § 1; Laws 2016, Ch. 62, § 4; Laws 2024, Ch. 198, § 1.

[Notes of Decisions \(6\)](#)

A. R. S. § 9-403, AZ ST § 9-403

Current through legislation of the First Regular Session of the Fifty-Seventh Legislature (2025), effective as of April 24, 2025.

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## Notes Of Decisions

### Construction and application

Public service corporation which challenged validity of sale of municipally owned gas and electricity distribution systems on ground that sale involved realty with value in excess of \$25,000 and was not made at public auction to highest bidder for cash in compliance with this section, had burden of proving assertion that pipes, poles and wires of utility distribution systems were fixtures and therefore realty. [Sulphur Springs Valley Elec. Co-op., Inc. v. City of Tombstone \(App. 1965\) 1 Ariz.App. 268, 401 P.2d 753](#) , affirmed [99 Ariz. 110, 407 P.2d 76](#) . Municipal, County, And Local Government 3013; [Public Contracts 166](#)

Plaintiff failed to sustain burden of proving invalidity of sale of municipally owned gas and electricity distribution systems without compliance with this section, governing sale of municipal realty having value in excess of \$25,000, on theory that pipes, poles and wires of distribution systems constituted fixtures and therefore realty within statute, in absence of showing of adaptability of such distribution facilities as affixed to realty to use for which realty was appropriated, and intention of city to make attachment of such facilities to realty permanent. [Sulphur Springs Valley Elec. Co-op., Inc. v. City of Tombstone \(App. 1965\) 1 Ariz.App. 268, 401 P.2d 753](#) , affirmed [99 Ariz. 110, 407 P.2d 76](#) . Municipal, County, And Local Government 3013; [Public Contracts 123](#)

Statutes governing sale of public property are designed to secure most beneficial terms for the public body, economy must be secured, extravagance avoided and opportunities for fraud or favoritism suppressed and consideration of advantages or disadvantages to bidders must be secondary to general welfare of public. [Sulphur Springs Valley Elec. Co-op., Inc. v. City of Tombstone \(App. 1965\) 1 Ariz.App. 268, 401 P.2d 753](#) , affirmed [99 Ariz. 110, 407 P.2d 76](#) . Municipal, County, And Local Government 2982; [Public Contracts 120](#) ; [Public Contracts 121](#)

If a majority of the voters in a special city election authorizes the sale of real property whose value exceeds \$100,000 pursuant to A.R.S. § 9-403 , the city may later sell the property either as one parcel or in several parcels at different times, provided that each sale is controlled by the requirements of [A.R.S. § 9-402](#) . Op.Atty.Gen. No. I88-093, [1988 WL 249679](#) .

### Leases

Cities and town have authority to enter into a contract with federal government to lease a building and to sell the contract thereafter to finance the building when done within framework of this section and §§ 9-402 and 9-405. Op.Atty.Gen. No. 57-25.

### Charter cities

Charter government cities are governed by their charter provisions in regard to the acquisition and disposition of property. Op.Atty.Gen. No. 57-25.

## Editor's and Revisor's Notes (2)

### HISTORICAL AND STATUTORY NOTES

#### Source:

Laws 1912, 1st S.S., Ch. 67, § 2.

Civ.Code 1913, § 1920.

Rev.Code 1928, § 430.

Code 1939, § 16-802.

The 1984 amendment by Ch. 63 substituted “one-hundred” for “twenty-five” in the first sentence of subsec. A, and “is” for “are” in subsec. C.

The 1996 amendment by Ch. 271 inserted “on a date prescribed by § 16-204” in the last sentence of subsec. A.

The 2000 amendment by Ch. 346 substituted “five hundred thousand dollars” for “one hundred thousand dollars” in subsec. A.

[Laws 2016, Ch. 62](#) , inserted “one million” before “five hundred thousand dollars” in the first sentence of subsec. A.

[Laws 2024, Ch. 198](#) , amended the section as follows:

“ **A.** Real property of a city or town, the value of which is more than \$1,500,000 but less than \$15,000,000, may not be sold unless the governing body of the city or town does both of the following:

“ 1. Holds at least one public hearing to take public comment on the proposed sale after publishing the invitation for bids as prescribed in section 9-402 at least thirty days before the scheduled approval of the purchase agreement. Notice of the hearing shall be provided at least ten days before the hearing and shall include both of the following:

“ (a) A description of the property proposed for sale and the reasons for the proposed sale.

“ (b) Information on how to submit to the governing body written and verbal comments on the proposed sale.

“ 2. By a vote of the members of the governing body, adopts a resolution approving the sale of the property.

“ **B.** If a city or town sells real property pursuant to subsection A of this section, the terms of the sale shall be posted on the city's or town's website on completion of the sale.

“ ~~**A.**~~ — ~~**C.**~~ Real property of a city or town, the value of which exceeds one million five hundred thousand dollars is \$15,000,000 or more , shall not be sold unless first authorized by a special election called for the purpose of submitting to the voters of the city or town the question of selling or not selling the real property proposed for sale. The election shall be held within the corporate limits of the city or town on a date prescribed by section 16-204, and notice shall be given as provided in section 9-402.

“ ~~**B.**~~ — ~~**D.**~~ The ballots shall contain a description of the property proposed for sale and the reason why the governing body desires the property sold. The description and reasons shall be printed in eight-point type and shall contain not more than one hundred words.

“ ~~**C.**~~ — ~~**E.**~~ If a majority of the ballots cast is in favor of selling, then the governing body may sell the property at public auction, after giving the notice required in section 9-402, to the highest bidder for cash, reserving the right to reject any and all bids.

“ ~~**F.**~~ Real property sold pursuant to this section shall be sold at not less than the appraised value of the property. ”

**Reviser's Notes:**

**2000 Note.** Pursuant to authority of § 41-1304.02, in the section heading “more than” was added after the first “at”.

Citing References (10)

| Title   | Date          | NOD Topics                      | Type                    |
|---|---------------|---------------------------------|-------------------------|
| <p><b>1. 11 Arizona Practice A.R.S. s 9-402, § 9-402. Sale and Disposition of Property; Advertising for Bids; Publication; Donation; Easements</b><br/>Arizona Practice</p> <p>Laws 1912, 1st S.S., Ch. 67, § 1. Civ. Code 1913, § 1919. Rev. Code 1928, § 429. Code 1939, § 16-801. The 1979 amendment added subsec. D. Laws 1982, Ch. 296, § 1, providing for...</p>                    | 2024          | —                               | Other Secondary Source  |
| <p><b>2. 11 Arizona Practice A.R.S. s 9-403, § 9-403. Sale of Real Property Valued At More Than Five Hundred Thousand Dollars; Special Election; Sale At Auction</b><br/>Arizona Practice</p> <p>Laws 1912, 1st S.S., Ch. 67, § 2. Civ. Code 1913, § 1920. Rev. Code 1928, § 430. Code 1939, § 16-802. The 1984 amendment substituted "one-hundred" for "twenty-five" in the...</p>       | 2024          | —                               | Other Secondary Source  |
| <p><b>3. 11 Arizona Practice A.R.S. s 9-405, § 9-405. Sale, Lease or Exchange of Surplus Property to Federal Government</b><br/>Arizona Practice</p> <p>Laws 1955, Ch. 8, § 1. Code 1939, Supp. 1955, § 16-801a. The 1997 amendment by Ch. 1 made changes in statutory citation references to conform to the reorganization of Title 28....</p>   | 2024          | —                               | Other Secondary Source  |
| <p><b>4. NATIONALIZE THE REVISED ARTICLE 9 FILING SYSTEM: A COMPARISON OF THE OLD ARTICLE 9 AND CANADIAN PERSONAL PROPERTY FILING SYSTEMS</b><br/>11 Ind. Int'l &amp; Comp. L. Rev. 389 , 414</p> <p>Article 9 of the Uniform Commercial Code must be viewed as a legislative success story. Completed in its current form in 1972, Article 9 was accepted by all fifty states. In...</p> | 2001          | —                               | Law Review              |
| <p><b>5. The Honorable John Wettaw</b><br/>1988 Ariz. Op. Atty. Gen. 122+</p> <p>You have asked if a majority of the voters in a special city election authorize the sale of real property the value of which exceeds \$100,000 pursuant to A.R.S. § 9-403, whether...</p>  | Sep. 06, 1988 | 1. Construction and application | Administrative Decision |
| <p><b>6. Sulphur Springs Valley Elec. Co-op., Inc. v. City of Tombstone</b><br/>401 P.2d 753, 754+ , Ariz.App.</p> <p>Action by a public service corporation and another to enjoin sale and conveyance of gas and electricity distribution systems owned by defendant city and to set aside an election...</p>  | May 12, 1965  | 1. Construction and application | Case                    |
| <p><b>7. AZ ST § 9-405; § 9-405. Sale, lease or exchange of surplus property to federal government</b><br/>AZ ST § 9-405</p>  | —             | —                               | —                       |
| <p><b>8. AZ ST § 9-407; § 9-407. Exchange and sale of real property; notice of intent</b><br/>AZ ST § 9-407</p>   | —             | —                               | —                       |
| <p><b>9. AZ ST § 28-8414; § 28-8414. City and town airport disposal</b><br/>AZ ST § 28-8414</p>   | —             | —                               | —                       |
| <p><b>10. AZ ST § 48-3603; § 48-3603. Powers, duties and immunities of district and board; exemptions</b><br/>AZ ST § 48-3603</p>   | —             | —                               | —                       |

**Context and Analysis (5)**

**Cross References (2)**

Elections and voters,

Generally, see [Const. Art. 7, § 1 et seq.](#); [A.R.S. § 9-821 et seq.](#)

Conduct of elections, see [§ 16-211 et seq.](#)

Registration and qualifications of voters, see [§ 16-101 et seq.](#)

Flood control districts, powers and duties, see [§ 48-3603.](#)

**Treatises and Practice Aids (1)**

[11 Arizona Practice A.R.S. § 9-402](#), Sale and Disposition of Property; Advertising for Bids; Publication; Donation; Easements.

**Validity**

There are no Validity results for this citation.